



## ***AOT in Action***

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

### **A Message from Director Sherry Henry:**

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Good morning,

Last week, members of AOT's research and marketing teams participated in the U.S. Travel Association's 2009 Marketing Outlook Forum in Little Rock, Arkansas. This national conference occurs annually and is the premier event for the travel industry's research and marketing professionals.

More than 400 industry leaders attended this year's event to gain the latest information on travel trends, increase our understanding of the "new normal" for our industry, get the most up-to-date economic forecasts and acquire new marketing techniques, including the latest in social media skills.

Understanding the "new normal" is vital to tourism marketing programs. During these economic times it has become increasingly important to be aware of how travelers are now selecting their vacation destinations to attract visitors to vacation destinations. Social media techniques are growing in their effectiveness and becoming a key research component to how travelers learn about a destination. Conference presenters encouraged tourism organizations to embrace the concept of social media and apply it to their marketing programs immediately. For the past year AOT has been developing a strong social media program to complement our advertising campaigns. To date we have more than 5,000 followers on Twitter, more than 8,000 on Facebook and a growing fan base on Flickr! For more information about the forum, visit [www.tia.org](http://www.tia.org).

Back in Arizona – the Grand Canyon State will be participating in a wonderful event for the first time in our state's history. The Capitol Christmas Tree or "the people's tree" will be harvested from the Apache-Sitgreaves National Forests in the White Mountains Region. This will mark the first time since this program's inception in 1964 that the Capitol Christmas tree will come from our state.

The public is invited to attend to see the cutting ceremony on Saturday, November 7. To learn more about this project, I encourage you to visit <http://capitolchristmastree2009.org>.

Last, but certainly not least! Congratulations to Stephanie Nowack, president & CEO of the Tempe Convention and Visitors Bureau for being selected by her peers as President of the Western Association of Convention & Visitors Bureaus (WACVB). More information can be found in the **Industry News** section below.

Have a great week.

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### AOT News

#### **New Updates to AOT's Research Web site!**

The following items have been updated in the Research and Statistics section of AOT's business-to-business Web site [www.azot.gov](http://www.azot.gov).

- [Lodging Performance September 2009](#)
- [Lodging Performance September 2009 \(By County\)](#)

For additional information or questions, please contact Melissa Elkins, Research Manager, at 602-364-3716 or via e-mail at [melkins@azot.gov](mailto:melkins@azot.gov).

#### **SAVE the DATE: Arizona Tourism University Workshops November 13, 17 & 19**

The Arizona Office of Tourism is proud to present Arizona Tourism University's complimentary workshop series "*Advocacy: A Necessary Skill in Challenging Times*."

These workshops will primarily focus on advocacy techniques such as how to develop messages, build coalitions and utilize human resources to engage in grass roots advocacy in support of your policy initiatives. The sessions will feature speaker Barry Aarons, lobbyist and owner of The Aarons Company LLC a Public Policy Consulting firm and Faculty Member of the Arlington, Virginia based Leadership Institute.

To register, please contact Meghan Dorn at 602-364-3708 or via email at [mdorn@azot.gov](mailto:mdorn@azot.gov).

"*Advocacy: A Necessary Skill in Challenging Times*" Workshops will be held from 10:00 a.m. to 1:00 p.m. in the following locations:

#### **Kingman**

Friday, November 13  
The Powerhouse Tourist Information & Visitor Center  
120 W. Andy Devine Ave  
Kingman, AZ 86401

**Casa Grande**

Tuesday, November 17  
Holiday Inn Casa Grande  
777 N Pinal Ave  
Casa Grande, AZ 85222

**Rock Springs**

Thursday, November 19  
Rock Springs Café  
35769 South Old Black Canyon Highway  
Rock Springs, Arizona 85324

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**AOT Activities****AOT goes to Canada!**

The Arizona Office of Tourism recently led a delegation on a road show to key cities across Canada to promote Arizona travel product to the travel trade. The contingency included Chandler Tourism, the Mesa Convention and Visitors Bureau (CVB), the Greater Phoenix CVB, the Tempe CVB, the Tucson CVB, and the Yuma CVB. The group visited key travel offices in the cities of Toronto, Vancouver and Edmonton and promoted the state through educational seminars to reservation and sales staff as well as one-on-one meetings with product development staff in travel agencies and wholesale offices.

In addition, AOT co-hosted an industry event in Vancouver in cooperation with WestJet Airlines and WestJet Vacations to promote the new WestJet flight from Vancouver to Phoenix beginning in January. This event, held at the Autumn Brook Gallery near trendy Granville Island, featured a trade show and presentations. Robert Stieve, Editor, Arizona Highways Magazine, joined the celebration and shared with our guests compelling images of the state in its four seasons which garnered nice coverage in the daily Canadian travel trade media outlets. Travel agents walked away with new knowledge of our state and great prizes and trips to Arizona with airfare included courtesy of our great WestJet partners. For more information, contact Jennifer Sutcliffe at 602-364-3693 or via e-mail at [jsutcliffe@azot.gov](mailto:jsutcliffe@azot.gov).

**Join AOT for the Chicago Sales Mission**

AOT will be conducting a five-day sales mission to the Chicago area from January 18-22, 2010. The five-day mission will consist of sales calls and destination training to travel agencies in the Chicago area. The purpose of the mission is to enhance Arizona awareness and compliment AOT's advertising campaign in this key domestic market. Participation is open to Arizona DMOs, CVBs and Chambers.

Cost to participate is **\$300** plus travel expenses. Space is limited to **five** partners and a lottery will be implemented if necessary. The deadline is **November 6, 2009**. For more information, contact Kristy Swanson at 602-364-3696 or via e-mail at [kswanson@azot.gov](mailto:kswanson@azot.gov).

## Upcoming Events & Activities

### Art and Design in the Valley Press Trip

**Date:** November 5 – 8

**Location:** Phoenix, Tempe

### World Travel Market

**Date:** November 9 – 12

**Location:** London, UK

### Family Adventure AAA/CAA FAM Tour

**Date:** November 12-15

**Location:** Greater Phoenix Area and Yuma

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## Industry News

### **Tempe CVB President and CEO Elected as President of the Western Association of Convention & Visitors Bureaus (WACVB)**

Stephanie Nowack, President and CEO of the Tempe Convention and Visitors Bureau, took office as President of the Western Association of Convention and Visitors Bureaus (WACVB) on Friday, October 16, 2009.

The announcement was made at this year's annual WACVB Annual Meeting, held in Colorado Springs, October 14-16, 2009. Nowack most recently held the position of Education & Research Foundation President for the WACVB and has been active in the WACVB organization for nine years. She has held office for the past five years and plans to use her knowledge and experience to continue her active role in the organization as President.

Nowack also serves on the board of directors for the Downtown Tempe Community and the Tempe Chamber of Commerce. Additionally, she serves as a volunteer tutor at Arredondo Elementary School for All Star Kids Tutoring.

The Western Association of Convention & Visitors Bureaus is a regional professional association serving more than 140 member bureaus in the Western United States and the Western provinces of Canada.

### **Sedona Named Among America's Prettiest Towns**

The red rocks of Sedona create "inspiring vistas," helping the small Arizona town make Forbes Traveler's list of America's Prettiest Towns. View Larger Sedona has earned a spot on Forbes Traveler magazine's list of America's Prettiest Towns. The list, featured in the magazine's October issue, was compiled by a panel including Greg Melville, co-author of "101 Best Outdoor Towns," and painter John Vander Stelt. "Inspiring vistas abound," Vander Stelt said of the Northern Arizona town. Residential designer and judge Erin Anderson puts it on her list, too, for its spirituality, artistry and "architecture reflective of the desert surroundings." Sedona, which is

surrounded by stunning red sandstone formations, is home to numerous arts festivals, galleries and spas and a host of outdoor recreation opportunities.

The high-desert town was joined by 19 others on the list: Monterey, Calif.; Cambria, Calif.; Burlington, Vt.; Union, Wash.; Dillon, Mont.; Spring City, Utah; Crescent City, Calif.; Lanesboro, Minn.; Deadwood, S.D.; Rockport, Maine; Guttenberg, Iowa; Cape May, N.J.; Lake Placid, N.Y.; Annapolis, Md.; Portsmouth, N.H.; Marfa, Texas; Savannah, Ga.; Aspen, Colo.; and Santa Fe, N.M. (*Phoenix Business Journal*, Oct. 25)

### **Survey Predicts Swine Flu Could Hit Travel Hard**

The October 2009 TravelHorizons survey, co-authored by Ypartnership and the U.S. Travel Association, reports that swine flu could have a significant impact on travel. The U.S. Centers for Disease Control and Prevention is reporting that the H1N1 virus is now "widespread" in 46 of 50 states. Numerous schools have been closed and public events canceled as a result. The TravelHorizons survey found that two-thirds of U.S. adults expect the incidence of swine flu in the U.S. to go higher this fall and winter compared to last spring. Among respondents who intend to take a leisure trip during the next six months (from now through the end of April), over one third would be "very/extremely likely" to alter their travel plans should their intended destination experience a widespread outbreak of the H1N1 virus.

When asked how they would change their travel plans, nearly half (45 percent) said they would postpone their trip until the outbreak subsided, one-third stated they would visit a different destination, and three out of 10 said they would cancel their trip. (*www.TravelPulse.com*, 10/26; *Special to TA; Travel Advance*, Oct. 27)

### **Southwest Launches \$25 Fare Sale**

Southwest Airlines has launched an air fare sale in which some flights cost the same as what other carriers charge to check a bag. Dallas-based Southwest on Tuesday announced one-way travel as low as \$25, based on the length of the flight.

The discount carrier says fares are \$25 for travel up to 375 miles. The price is \$50 for travel between 375 and 549 miles, and \$75 for flights between 550 and 999 miles. A one-way fare of more than 1,000 miles costs \$100.

The fares are available for purchase through Thursday, for travel between Dec. 2 and Dec. 16, or between Jan. 5 and Feb. 10. Other restrictions apply. (*Associated Press*, Oct. 27)

### **State Suspends Operations at 13 Rest Areas**

The Arizona Department of Transportation has temporarily suspended operations at 13 rest areas across the state. The closures are the result of ADOT's \$100 million budget shortfall that requires reductions in services, highway construction, maintenance and staff.

Five ADOT and more than a dozen non-ADOT rest areas along state highways remain open. Rest areas currently closed are Bouse Wash, Canoa Ranch, Ehrenberg, Hassayampa, Haviland, Mazatzal, McGuireville, Meteor Crater, Mohawk, Parks, Salt River Canyon, San Simon, and Sacaton. The 13 closed rest areas are now completely inaccessible with all services shut down.

Other ADOT budget reducing plans include shutting down 12 Motor Vehicle Division field offices and deferring \$370 million in highway construction projects. (*Associated Press, Oct. 27*)

### **At Marketing Outlook Forum: A Rebound in Travel**

The Department of Commerce projects that international travel to the U.S. will regain its footing by 2010, following the first forecast year of decline in 2009 since 2003. Reflecting the current global economic environment, international travel is forecast to decline by 8 percent in 2009. But a 3 percent rebound is projected for the U.S. by the end of 2010, followed by 5 percent annual increases through 2013. The projections were presented at the U.S Travel Association's Marketing Outlook Forum, being held this week in Little Rock, Ark. In 2009, 22 of the top 25 arrival markets will post declines. But the top two markets generating visitors to the U.S.- Canada and Mexico-are forecast to grow by 13 percent and 5 percent, respectively, from 2008 to 2013. Visitors from Europe are projected to realize very small growth for the next three years. Asia is projected to post 4 percent to 7 percent increases in visitors over the next several years. Details at <http://www.tinetita.doc.gov>. (*Special to TA; Travel Advance, Oct. 28*).

### **Confidence Takes a Fall in October**

Consumers' confidence about the U.S. economy fell unexpectedly in October as job prospects remained bleak, the Conference Board said Tuesday, fueling speculation that an already gloomy holiday shopping forecast could worsen. The Conference Board's consumer confidence index sank unexpectedly to 47.7 in October-its second-lowest reading since May. Forecasters predicted a higher reading of 53.1. A reading above 90 means the economy is on solid footing. Above 100 signals strong growth. Economists watch consumer confidence because spending on goods and services by Americans account for about 70 percent of U.S. economic activity by federal measures. Yesterday's figures showed that shoppers have a grim outlook for the future, the board said, expecting a worsening business climate, fewer jobs and lower salaries. (*AP; [www.Boston.com/Business](http://www.Boston.com/Business); Travel Advance, Oct. 28*)

### **US Airways to Cut Routes, Jobs**

After an upbeat report early this month on a traffic rebound, US Airways yesterday said it will pull out of selected domestic and international markets and lay off 1,000 workers, according to the Wall Street Journal. Instead, the country's 6th largest carrier in traffic will concentrate service at its Charlotte, Philadelphia and Phoenix hubs while keeping a high profile at Reagan National Airport and retaining its east coast shuttle. It will suspend service at Birmingham and Gatwick airports and at Milan, Stockholm and Shannon and surrender rights to Beijing from Philadelphia. In the third quarter, the airline lost \$80 million versus an \$866 million loss in the same 2008 period as revenues dropped nearly 17 percent. At the same time, American Airlines announced it is closing its Kansas City, Mo. maintenance base and cutting back work at its San Francisco and St. Louis bases. It will lay off as many as 700 workers.

McCarran International Airport in Las Vegas meanwhile will lose nearly half of its US Airways flights under the airline's route restructuring, the Las Vegas Review-Journal noted. Currently, the airline operates 64 daily flights, which will drop to 36 in February. US Airways will end nonstops from McCarran to Detroit and nine other U.S. and Canadian cities. (*Pages B6, Wall Street Journal; 1B, USA Today; [www.BaltimoreSun.com](http://www.BaltimoreSun.com) /Business; [www.Philly.com](http://www.Philly.com) ; [www.DallasNews.com](http://www.DallasNews.com) ; [www.ReviewJournal.com](http://www.ReviewJournal.com) /Business, 10/28; Travel Advance, Oct. 29*)

### **Average Air Fares Nearly Match 1998 Rates**

Air fares these days still look bargain-priced compared to rates in effect in 1998, USAToday reports. In fact, domestic air fares on average in the 2009 second quarter almost matched the rates more than 10 years ago. In the April-June quarter this year, the average rate of \$301 for domestic travel represented a 13 percent drop from the same 2008 period and the biggest year-over-year decline in nearly 15 years, according to the Transportation Department's Bureau of Transportation Statistics. Blame the economy as travelers pass up vacations and business trips. In Denver, the average fare dropped 14 percent from the same 2008 quarter, the Denver Post reported. Analysts say the rates to and from Denver will stay low. But the largest drop took place at Cincinnati where rates fell 38.7 percent. (Page 3B, USA Today; [www.DenverPost.com](http://www.DenverPost.com) /Business; Travel Advance, Oct. 29)

### **Hotel Industry's Profits Dip on Rise in Sales**

Last year the U.S. hotel industry earned \$25.8 billion before taxes, off from \$28 billion in the prior year, reports TravelPulse. The data was compiled by the American Hotel & Lodging Association (AH&LA) in its annual Lodging Industry Profile. Revenues rose to \$140.6 billion from \$139.7 billion in 2007. According to the analysis, the revenues helped produce \$770 billion in tourism sales with daily spending by domestic and foreign travelers estimated at \$2.1 billion. Although 2008 overall was strong, the market weakened in the 4th quarter and continued so into 2009, according to Joseph McInerney, president and CEO of the AH&LA. ([www.TravelPulse.com](http://www.TravelPulse.com), 10/28; Travel Advance, Oct. 29)

### **Worst May Be Over for Airlines but Not Full Recovery**

The International Air Transport Association reported that passenger demand for September was essentially unchanged, increasing 0.3 percent compared to September 2008. Load factors for passenger and cargo have returned to pre-crisis levels of 77.1 percent and 50.8 percent, respectively, IATA said, but warned that the apparent year-over-year improvement in demand is misleading. "It is far too early to call this a recovery. The worst may be over in terms of the fall in demand, but yields continue to be a disaster and costs are rising. The airline industry remains firmly in the red with a fragile business environment," said Giovanni Bisignani, IATA's director general and CEO. ([www.TravelAgentCentral.com](http://www.TravelAgentCentral.com), 10/28; Travel Advance, Oct. 30)

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## **Calendar of Events**

Visit [www.ArizonaGuide.com](http://www.ArizonaGuide.com) to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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